

## UTILITIES SERVICE BOARD MEETING

June 12, 2006

UTILITIES SERVICE BOARD MEETINGS ARE RECORDED ELECTRONICALLY OR STENOGRAPHICALLY AND ARE AVAILABLE DURING REGULAR BUSINESS HOURS IN THE OFFICE OF THE DIRECTOR OF UTILITIES.

Board President Swafford called the regular meeting of the Utilities Service Board to order at 5:01 p.m. The meeting was held in Conference Room 100B at the Indiana University Research Park at 501 North Morton Street in Bloomington, Indiana.

Board members present: Tom Swafford, Tim Henke, Jeff Ehman and Susan Sandberg. Staff members present: Patrick Murphy, John Langley, Michael Horstman, Mike Hicks, Tom Staley, Nathan Schulte, Mike Trexler and Adam Wason. Others present: Sarah Morin representing the Herald Times, Paul Soderquist representing Black & Veatch, Ben Beard representing Gentry Estates and Margaret Fette representing the Libertarian Party.

Board President Swafford informed the other board members that item number 5 had been removed from the agenda.

### MINUTES

BOARD MEMBER EHMEN MOVED AND BOARD MEMBER SANDBERG SECONDED THE MOTION TO APPROVE THE MINUTES OF THE MAY 22, 2006 MEETING. MOTION CARRIED. 4 AYES, 3 MEMBERS ABSENT, (VAUGHT, ROBERTS AND WHIKEHART).

### CLAIMS

BOARDMEMBER EHMEN MOVED AND BOARDMEMBER HENKE SECONDED THE MOTION TO APPROVE THE CLAIMS AS FOLLOWS:

CLAIMS 0690753 THROUGH 0690806 INCLUDING \$251,327.35 FROM THE WATER OPERATIONS & MAINTENANCE FUND, \$60,367.94 FROM THE WATER CONSTRUCTION FUND AND \$16,603.88 FROM THE WATER SINKING FUND FOR A TOTAL OF \$328,299.17 FROM THE WATER UTILITY; CLAIMS 0630486 THROUGH 0630539 INCLUDING \$389,170.66 FROM THE WASTEWATER OPERATIONS & MAINTENANCE FUND AND \$5,812.06 FROM THE WASTEWATER SINKING FUND FOR A TOTAL OF \$394,982.72 FROM THE WASTEWATER UTILITY; AND CLAIM 0670034 THROUGH CLAIM 0670038 FOR A TOTAL OF \$35,320.73 FROM THE WASTEWATER/ STORMWATER UTILITY. TOTAL CLAIMS APPROVED – \$758,602.62.

Board member Roberts arrived at this time.

Board member Ehman asked about claim number 0630511 for Mallor, Clendening, Grodner and Bohrer. Deputy Director Langley explained that this claim is for the legal preparation work that is being done on PCB consent decree.

Board member Henke asked about claim number 9670034 which is for Commonwealth. Utilities Director Murphy said that Commonwealth had helped with the submittal of the first annual Rule 13 report.

Board member Roberts asked about claim number 0630527 which was to St. Paul Travelers for damages for down time experienced by Miller Pipe Line during repairs to a mismarked sewer pipe. Superintendent of Operations Staley explained that Utilities had miss-located a force main that was

damaged when Miller Pipe line dug into it. Utilities T&D repaired it immediately. This claim is for the agreement between the City of Bloomington Utilities Department and their insurance company, St. Paul Travelers to pay for the down time that Miller Pipe Line experienced.

Ms. Roberts also inquired about the purchase of 87 bags of ice. Mr. Staley said that it is kept in an ice chest in the garage. The T&D workers fill a cooler for each truck before it goes out in the morning.

Board President commented on claim 0690779 where the notation says "please see attached documentation." The claim is for MBNA credit cards. Utilities Director Murphy said that all of the final credit card bills have not been received so the itemized charges aren't yet available.

MOTION CARRIED. 5 AYES, 2 MEMBER ABSENT, (VAUGHT AND WHIKEHART).

#### APPROVAL OF BLACK & VEATCH CHANGE ORDER NO. 4:

Assistant Director of Engineering Bengtson explained that there had been a stalemate between the contractor, Danis, and one of his suppliers, Chemco. Because Danis owed Chemco about \$30,000 Chemco was unwilling to come in to train Utilities' personnel on their chemical feed equipment. Because of this Danis was planning to bring in some other people to do it. This caused Chemco to suggest that they might nullify their warranties. After a meeting between Chemco, Mr. Bengtson and Utilities Director Murphy, Chemco agreed to do the training even though they don't expect to be paid by Danis. The training will be complete by the end of the week which will allow the plant personnel to begin operating the new equipment. Once they are comfortable with the new equipment Danis will be able to demolish the old chemical feed equipment. If Danis continues to follow the incremental steps on their time schedule they should be able to complete the project in August although Danis expects to be done in July. Paul Soderquist with Black & Veatch, who is the engineer for the project, thinks it is unlikely that Danis will be finished in July.

BOARD MEMBER HENKE MOVED AND BOARD MEMBER SANDBERG SECONDED THE MOTION TO APPROVE BLACK & VEATCH CHANGE ORDER NO. 4. MOTION CARRIED. 5 AYES. 2 MEMBERS ABSENT, (VAUGHT AND WHIKEHART).

#### APPROVAL OF FUNDING REQUEST FOR "OTHER OWNER COSTS TO BE INCURRED" FOR THE NEW ADMINISTRATION BUILDING:

Engineer Mike Hicks said that Schmidt & Associates is getting ready to move ahead on demolishing the old Service Center Building to start construction on a new 24,000 square foot building. This funding request is a part of that project. The "other costs" to be incurred are miscellaneous things that will be paid for by the Utilities Department.

Board member Henke asked if landscaping is included in the construction contract. Mr. Hick replied that it is. Mr. Henke also asked about any parking lot improvements. Mr. Hicks said that mostly there would be repairs to the parking lot. There will be a new curb cut on Henderson Street that will require new curbs and some repairs to the pavement. The existing parking lot along Henderson will be mostly unchanged and will be a staff parking lot. There will be a new parking lot for customer parking whose entrance will be from Miller Drive.

BOARD MEMBER EHMAN MOVED AND BOARD MEMBER HENKE SECONDED THE MOTION TO APPROVE THE FUNDING REQUEST FOR "OTHER OWNER COSTS TO BE INCURRED" FOR THE NEW ADMINISTRATION BUILDING. MOTION CARRIED. 5 AYES. 2 MEMBERS ABSENT, (VAUGHT AND WHIKEHART).

## OLD BUSINESS:

No old business was presented.

## NEW BUSINESS:

Board member Henke inquired about the budget process. Utilities Director Murphy said that a Finance Subcommittee meeting will be scheduled in the near future to discuss the preliminary budget.

## SUBCOMMITTEE REPORTS:

The Administrative Subcommittee met to discuss 2 requests for rate adjustments. The first request was from Colleen Brody and Amie Kanuch whose toilet started leaking while they were gone for Christmas. They wanted their bill to be adjusted because they had not been informed of the leak. They had been told that the Utilities Department's efforts to inform people are a courtesy and not an obligation. Ms. Brody and Ms. Kanuch did not attend the meeting. Because the water had entered the wastewater treatment system the Administrative Subcommittee recommended that their request be denied.

The other request was from Insight Communications. Once they had explained their situation it became clear that it was not a request for an adjustment but a matter of clarification. The Utilities Department had erroneously billed Insight Communications for a sewer hook on when in actuality the fee needed to be paid to the developer who had developed the site.

BOARD MEMBER HENKE SECONDED THE MOTIONS OF THE ADMINISTRATIVE SUBCOMMITTEE TO DENY THE RATE ADJUSTMENT REQUEST BY COLLEEN BRODY AND AMIE KANUCH AND TO VOID THE HOOK ON BILL FOR INSIGHT COMMUNICATIONS. MOTIONS CARRIED. 5 AYES. 2 MEMBERS ABSENT, (VAUGHT AND WHIKEHART).

## STAFF REPORTS:

Utilities Director Murphy informed the Board members that there had been an update meeting with Sean Bright, the architect with Schmidt and Associates. Mr. Bright said that the bid documents are 96% complete. They expect bidding to occur from July 1<sup>st</sup> through mid-July with the contract being awarded in mid-August. The building should be ready to be occupied by late June in 2007.

Board President Swafford pointed out that the staff has been able to give a great deal of input for the plans for the building.

Mr. Murphy also informed the USB that the Finance department will be filing liens during the next week as was required by the State Board of Accounts. Because there is a \$24.00 filing fee and the Recorder's Office doesn't take credit cards it will be necessary to have the Controller's Office issue special checks for these filings.

Board member Whikehart arrived at this time.

Board member Henke asked if there was a process to make sure that the lien is being filed against the owner who owned the property at the time that the water was used. It is his understanding that a new owner would not be liable for an unpaid bill.

Assistant Director of Finance Horstman explained that a pre-lien letter had been sent to everyone who might have a lien filed against them. That will give property owners the opportunity to seek more information about the lien.

Mr. Henke said that the Apartment Owner's Association had expressed some concern over the fact that in many cases the lien does not get filed until a number of months after the person who incurred the bill has left. That makes it very difficult for the property owner to collect for those bills.

Mr. Horstman explained that he is working on the old liens at this time. Once those are caught up it is his plan to send pre-lien letters and file liens on a monthly basis.

Utilities Director Murphy suggested that it would be a good idea to arrange a meeting with the Apartment Owner's Association to explain this process.

Board President Swafford pointed out that 8 people had passed certification tests. Superintendent of Operations Staley said that 6 of his staff had received class 1 certification and 2 had received class 2 certification. He said that his staff pays for their own training but when they pass the certification test they get reimbursed for their expenses.

#### PETITIONS AND COMMUNICATIONS:

Ben Beard of Gentry Estates asked if there is a time frame for a response to the request of the Executive Committee of the County Plan Commission to complete maps for future sewer extensions.

Board President Swafford said that it would be very soon.

#### ADJOURNMENT:

The meeting was adjourned at 5:38 p.m.

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L. Thomas Swafford, President